**Ministry of Housing & Urban Poverty Alleviation, Government of India**

**NATIONAL URBAN LIVELIHOODS MISSION (NULM)**

**Mission For Elimination of Poverty in Municipal Areas (MEPMA) Nodal Agency -NULM**

**Context**

**Pace of urbanization in India is set to accelerate**

* Census of India data shows that share of urban population to total population has increased from 17.3% in 1951 to 31.2% in 2011.
* Sharp growth and opportunities in cities poses a strong magnet. • 250 million people could be added to cities within the next 20 years. • The number of urban poor will accordingly rise sharply.
* As per 2011 census data, about 50% of rural male migrants come to cities seeking employment - mostly in the informal sector.
* This could place an enormous strain on the system if not planned for and managed well.
* Building inclusive cities with equal opportunity for all is a key focus of the 12th FYP as a step to manage this pace of urbanization.

**What we have learnt from SJSRY**

* Problems faced in **identification and targeting** of beneficiaries.
* **Limited focus on mobilizing urban poor into** groups for poverty alleviation and empowerment. SHG movement limited to primarily South India.
* **Lack of human resources for effective implementation** of the scheme at the Central, State, District, City and Community level.
* **Lack of strong capacity building across all levels** - limited capacity of existing training institutions, lack of trainers, need for alternative training methodologies and resources.
* **Lack of an integrated approach to skill development -** need for counselling beneficiaries, synchronization with job opportunities and linkages with industry, need for independent certification recognized by industry.
* **Lack of flow of credit to the urban poor for self-employment**
* Hesitation by banks to sanction loans to the urban poor in view of informal nature of ventures and absence of collateral
* **Limited financial allocation** for this scheme

**NULM - Mission & Principles**

**Mission:**

To reduce poverty and vulnerability of the urban poor households by enabling them to access gainful self-employment and skilled wage employment opportunities, resulting in an appreciable improvement in their livelihoods on a sustainable basis, through building strong grassroots level institutions of the poor.

**Principles:**

* The core belief of National Urban Livelihoods Mission (NULM) is that the poor are entrepreneurial.
* The core belief of National Urban Livelihoods Mission (NULM) is that the poor are entrepreneurial and have innate desire to come out of poverty.
* As per the Constitution (74thAmendment) Act, 1992, urban poverty alleviation is a legitimate function of the Urban Local Bodies (ULB).

**NULM Values**

**Values:**

Ownership and productive involvement of the urban poor and their institutions in all processes;

* Transparency in programme design and implementation, including institution building and capacity strengthening;
* Accountability of government functionaries and the community
* Partnerships with industry and other stakeholders
* Community self-reliance, self-dependence, self-help and mutual-help

**NULM Strategy**

* Building capacity of the urban poor, their institutions and the machinery involved in the implementation of livelihoods development and poverty alleviation programmes through handholding support
* Enhancing and expanding existing livelihoods options of the urban poor
* Building skills to enable access to growing market-based job opportunities offered by emerging urban economies
* Training for and support to the establishment of micro-enterprises by the urban poor self and group
* Ensure availability and access for the urban homeless population to permanent 24-hour shelters including the basic infrastructural facilities like water supply, sanitation, safety and security

**Vulnerability Based Targeting of the Urban Poor**

* Occupational Vulnerability (Livelihoods and dependence on informal sector)
* Residential Vulnerability (Shelter / Housing and Basic Services)
* Social Vulnerability (Health Education, Social Security Inclusion)
* NULM
* RAY, RRY, AHP, Scheme of SUH Component of NULM
* Program of Ministries

**COMPONENTS OF NULM**

* Social Mobilization and Institution Development (SM & ID)
* Scheme of shelter for Urban Homeless
* Support to Urban Street Vendors (SUSV)
* Self Employment Programme (SEP)
* Capacity Building and Training (CB & T)
* Employment through skills training and Placement (EST &P)

**Social Mobilization & Institution Development**

* Represent SHGs and give them adequate voice across various levels E.g ULB, State Govt., Banks Etc.,
* Association of SHGs for benefit of member SHGs bank linkages and enhanced bargaining strength of SHGs
* Community Mobilization for thrift & credit and empowerment
* RF Support Rs:50000 per ALF
* RF Support : Rs. 10000 per SHG (SHG Bank Linkage Universal Financial Inclusion)

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| **Social Mobilization And Institution Development ( SM & ID)** |
|  | **Name of the Component / SUB- Component** | **Rate Per SHG/Member** |
| Component | SM & ID | @ Rs.10000 per SHG |
| Sub – Component-1 | Revolving Fund | @ Rs.10000 Per SHG |
| Sub – Component -2  | City Livelihood Center | @ Rs.10 Lakhs per center |
| Sub – Component – 3 | Training to ALFs and CLFs | @ Rs. 7500 per trainees |

**Additional features:**

**Universal Financial Inclusion:**

* Financial literacy
* Opening of Basic Savings Bank Deposit Account (No-frills a/c)
* Affordable insurance - (life, health, pension)

**City Livelihoods Centers:**

* To be established (I CLC per 1-3 lakh CLC would bridge the gap between demand and supply of the goods and services produced by the urban poor
* The urban poor can access information and business support services which would otherwise not be affordable or accessible by them

**Self Employment Programme**

* Individual and Group Enterprises to be promoted and linked with banks for financial support. • Provision of Interest subsidy on loans for individual enterprises (Rs 2 lacs max) and group enterprises( Rs10 lacs max).
* The individual and group enterprises will get subsidized loans (a) 7% subject to timely repayment. Subsidy to be reimbursed to the banks.
* Facilitating Linkage with Credit Guarantee Fund Scheme of CGTMSE, M/o MSME.
* Facilitation of Credit cards for individual entrepreneurs for working capital requirement.
* SHGs will be linked with banks for loans (subsidized loans @ 7% subject to timely repayment with provision of additional 3% interest subvention for Women SHGs)

Credit Card for enterprise development Technology, Marketing and Other Support

Interest Subsidy over and above 7 percent rate of interest will be applicable to all SHGs. Accessing bank loan. An additional 3 percent interest subvention will be provided to all women SHGs who repay their loan in time in all the cities. The difference between 7 percent or 4 percent as the case may be and the prevailing rate of interest will be provided to banks under NULM.

Under this component, efforts will be made to cover beneficiaries with credit cards for working capital and other purposes

Technology, marketing, consultancy (advice) and other support may also be provided by States/cities to beneficiaries in setting up micro-enterprises

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| **SELF EMPLOYMENT PROGRAMME (SEP)** |
| Component | Component / SUB- Component | Rate Per Unit |
| Sub – Component | Employment-Individual and Group Enterprises | Average individual unit cost Rs.1Lakh Average group unit cost 5 Lakhs |
| Sub - Component | SHG – Bank Linkage | Interest Subsidy over and above 7 percent rate of interest will be applicable to all SHGs. Accessing bank loan. An additional 3 percent interest subvention will be provided to all women SHGs who repay their loan in time in all the cities. The difference between 7 percent or 4 percent as the case may be and the prevailing rate of interest will be provided to banks under NULM.  |
| Sub – Component | Credit Card for enterprise development Technology | Interest Subsidy over and above 7 percent rate of interest will be applicable to all SHGs. Accessing bank loan. An additional 3 percent interest subvention will be provided to all women SHGs who repay their loan in time in all the cities. The difference between 7 percent or 4 percent as the case may be and the prevailing rate of interest will be provided to banks under NULM.  |

**Employment through Skills Training & Placement (EST & P)**

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| **Employment through Skills Training & Placement (EST & P)** |
|  | **Name of the Component / Sub Component** | **Rate per SHG/Member** |
| Component | Employment Through Skills Training and Placement (EST & PT) | @ Rs.15000 per trainee ( Including Rs. 1000/- Per certification) |

**Employment through Skills Training & Placement**

* Duration of training — Minimum of 3 months.
* No minimum or maximum educational
* Qualifications is prescribed for
* Selection of benefiters.
* Soft skills training — minimum 40 hours must.
* Placement should be 50% of trained candidates.
* Placements include both Job and Self employment.
* Coverage of Women benefiters — 30%
* SC & ST Must be benefited at least to the extent of the proportion of their strength in the city / Town.
* Coverage of PWDs - 3%,
* Coverage of Minorities — 15%.
* Tracking of successful candidates for minimum 6 months period.

**Support to Urban Street Vendors**

* A city wide street vendor survey with a view to identify vendors vendor zones and existing practices.
* Issue of ID cards to the vendors by the ULB Development of a City Stree Vending Plan.
* Vendor Market Development Provide bank linkages by way of openin Basic Savings Bank Deposit Account (no-frills) of the vendors.
* Facilitate bank linkages for working capital requirements
* Skill development.
* Social security convergence.
* Street Vendors profiled :1,33,407
* Town vending committees formed: In all ULBs
* CIG of Street Vendors formed: 2032

**Scheme of Shelters for Urban Homeless**

* For every 1 lakh urban population permanent - **24x7 - all weather community shelters.** Each shelter to cater to 50 - 100 persons.
* All necessary **infrastructural facilities** to be put in place - kitchen, water, sanitation, electricity, recreation, etc.
* A minimum space of 5 square meters or **50 sq. feet per person** to be provided
* **Location of shelters** to be close to the places of concentration of homeless persons and their work places.
* Linkages with social security and other entitlements to be ensured.
* Shelter Management Committee's to be set up to run and manage the shelters.
* Shelters to be run on a **PPCP mode** - associating with agencies identified by the State including Building Centers, PSUs, NGOs, CBOs, Pvt. Sector Enterprises etc., for construction and management.
* Construction cost to be shared in 75:25 ration (or 90:10). State to bring in land as their contribution.
* O&M cost to be shared in 75:25 or 90:10 **for 5 years**

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| **Capacity Building and Training (CB&T)** |
|  | **Name of the component/sub-component**  | **Rate per SHG/Member**  |
| Component | Capacity Building and Training  | @ Rs. 7,500 per trainees |
| Sub-component | Training & Other Capacity Building Programmes for MMUs  |

**Capacity Building & Training**

Technical support at National, State and City level - setting up implementation structures at National, State and City level in Phase I ( 1NMMU at National level, 1 SMMU at State level, and 1 CMMU at City/DHQ level)

• Technical support team to be positioned: National level (NMMU) - 10, State level (SMMU) - 6 for big & 4 for small states and City level (CMMU) –

• 4 for towns > 5 lakh population, 3 for 3-5 lakh population towns or 2 for towns < 3 lakh population.

• NULM to support the cost of NMMU/SMMU/CMMU for 5 years States to create/ designate a dedicated agency as SULM which will be the nodal agency for implementation of NULM at state level.

• Training & other Capacity Building support for Mission Management Units at the National, State and City levels. Provision of Rs. 7,500 per member for training & capacity building.

**Composition of Governing Council at State**

1. Chief Minister - Chair
2. Finance Minister -Vice-Chair
3. Minister, Urban Development /LSG/Municipal Affairs/ Administration - in charge of Urban Local Bodies - Member
4. Minister, Rural Development - Member
5. Minister, Labour & Employment - Member
6. Minister, Industry - Member
7. Minister, Health - Member
8. Minister, Technical Education - Member
9. Chief Secretary - Member
10. State Lead Bank Officer - Member
11. Representative of M/o HUPA, Gol - Member
12. Representatives of ULBs - Mayors/Chairpersons (2) - Member
13. Livelihood Experts/Civil Society/Industry Representatives (3) - Members
14. Secretary/Principal Secretary in charge of NULM - Member-Convenor
15. Any other member(s) co-opted by the Chair - Members

**Composition of Governing Council at State**

1. Chief Secretary - Chair
2. Secretary/ Principal Secretary i/c of Urban Local Bodies - Vice-Chair
3. Secretary/ Principal Secretary i/c of Urban Development/Housing - Member
4. Secretary, Finance - Member
5. Secretary, Rural Development - Member
6. Secretary, Labor & Employment - Member
7. Secretary, Social Welfare - Member
8. Secretary, Health & Family Welfare - Member
9. Secretary, Public Works Department - Member
10. Secretary, Food & Civil Supplies - Member
11. Secretary Social Justice & Empowerment - Member
12. Secretary in charge of Primary Education - Members
13. State Lead Bank Officer and Head of another Nationalized Bank - Members
14. State Representative of RBI -Member-Convenor
15. Industry Representative - Member
16. Representatives of SHGs/Federations (3) - Member
17. State Mission Director, NRLM - Member
18. State Officer in charge of Technical Education / Labour/Industry - Member
19. Representative of M/o HUPA - Member
20. State Mission Director, NULM - Member-Convenor
21. Any other member(s) co-opted by the Chair - Member

**SJSRY vs. NUM**

USEP /SEP SJSRY Subsidy (25% on loan amount) NLJLM Interest subsidy over and above 7% USEP /SEP Credit Card will be given to beneficiaries for working capital and other purpose. Bank Linkage Interest subsidy over and above 7% applicable to all SIIGs subject to timely repayment by the beneficiary Additional 3% interest subsidy in time payment Rs. 10,000 per trainee Rs.15,000 per trainee S I EP-UP/(EST&P) SM&M) - City livelihood center @Rs.10 Lakh per center Applicable Applicable to all ULBs Applicable to the distinct headquarter towns and cities with 1 lakh and above population. (46 towns)

**SJSRY vs NULM**

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|  | **SJSRY** | NULM |
| USEP /SEP | Subsidy (25% on loan amount) | Interest subsidy over and above 7% |
| USEP /SEP |  | Credit Card will be given to beneficiaries for working capital and other purpose |
| Bank Linkage |  | Interest subsidy over and above 7% applicable to all SIIGs subject to timely repayment by the beneficiary.Additional 3% interest subsidy in time payment |
| STEP-UP/(EST&P) | Rs. 10,000 per trainee | Rs. 10,000 per trainee |
| **SM & ID** |  | City livelihood center @Rs.10 Lakh per center |
| Applicable | Applicable to all ULBs | Applicable to the distinct headquarter towns and cities with 1 lakh and above population. (46 towns) |
| SM & ID (Revolving Fund) | For SHG Rs.25,000/- | Revolving fund to each SHG @ Rs.10,000 For each SLF @ Rs.15000 |
| Street Vendors |  | Street Vending 5% of the Total Budget |
| Shelter for Urban Homeless (SUH) |  | For the ULBs |
| A & OH | 5% | 2% |
| IEC | 3% | 3% |
| UWEP | Construction of CRSs / MSBs |  |